

## Message Text

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73

ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 PM-04 H-02 INR-07 L-03 NSAE-00

NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 SAM-01 EB-07

AID-05 OMB-01 TRSE-00 SAJ-01 /074 W

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R 181452Z AUG 76

FM AMEMBASSY LISBON

TO SECSTATE WASHDC 8252

INFO AMEMBASSY BONN

AMEMBASSY LONDON

AMEMBASSY MADRID

AMEMBASSY MOSCOW

AMCONSUL OPORTO

AMEMBASSY PARIS

AMCONSUL PONTA DELGADA

USMISSION NATO

DIA WASHDC

USCINCEUR VAIHINGEN GER

CONFIDENTIAL LISBON 5632

E.O. 11652: GDS

TAGS: PFOR, PO

SUBJECT: DISCUSSION WITH PRESIDENT EANES ON ECONOMIC

AND MILITARY AID

REF: LISBON 5613 (DTG 180904Z AUG 76)

SUMMARY: ON AUGUST 18 I REVIEWED ECONOMIC AND MILITARY AID WITH PRESIDENT EANES WHO ENDORSED THE PRESENT ORIENTATION OF BOTH PROGRAMS. WHILE HE ACKNOWLEDGED PORTUGAL'S EUROPEAN ORIENTATION HE EMPHASIZED THE NEED FOR CLOSE TIES WITH THE US. HE AFFIRMED THAT PORTUGAL SHOULD BECOME MORE EFFECTIVE THAN IT HAS BEEN IN MAKING ITS CASE FOR MILITARY ASSISTANCE IN NATO CIRCLES AND PROMISED TO GIVE THIS SUBJECT GREATER ATTENTION. END SUMMARY

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1. I MADE MY INITIAL CALL ON PRESIDENT EANES TODAY

AUGUST 18. SHORTLY AFTER TAKING OFFICE EANES HAD SENT WORD THAT HE APPRECIATED THAT FACT THAT WE, UNLIKE OTHER EMBASSIES, HAD NOT REQUESTED A CALL ON HIM RIGHT AWAY. ABOUT A WEEK AGO EANES' STAFF SENT WORD THAT THEY WOULD NOW APPRECIATE SUCH A VISIT. I MET WITH HIM ALONE FOR ABOUT 45 MINUTES.

2. I EXPLAINED THAT THE BASIC PURPOSE OF MY CALL WAS TO ACQUAINT HIM WITH BOTH OUR ECONOMIC AND MILITARY COOPERATION PROGRAMS. AT THE OUTSET I EMPHASIZED THAT BOTH PROGRAMS WERE TEMPORARY IN NATURE AND SHOULD BE VIEWED IN THE CONTEXT OF OF PORTUGAL AS A EUROPEAN COUNTRY. THIS MEANT THAT THE PRINCIPAL SOURCE OF PORTUGAL'S ASSISTANCE SHOULD CONTINUE TO BE EUROPE AND THAT OUR PROGRAMS WERE BASICALLY SUPPLEMENTAL. EANES ACKNOWLEDGED PORTUGAL'S EUROPEAN ALLEGIANCES BUT STRESSED THAT STRONG TIES HAD TO BE MAINTAINED WITH THE US AS WELL.

3. ON THE SUBJECT OF ECONOMIC AID I EMPHASIZED THAT THE PROGRAM WAS DESIGNED TO PROVIDE THE STABILIZATION AND DEVELOPMENTAL CAPACITY NEEDED FOR THE INSTITUTIONALIZATION OF DEMOCRATIC SYSTEM. OUR GOAL WAS TO STRENGTHEN PORTUGUESE INSTITUTIONS SO THAT OUR PROGRAM COULD TERMINATE. EANES DID NOT ARGUE WITH THIS RATIONALE BUT NOTED THAT PORTUGAL, WHILE NOT PROPERLY CLASSIFIED AS AN UNDERDEVELOPED COUNTRY, DID HAVE VERY SERIOUS PROBLEMS OF A LONG TERM NATURE.

4. EANES HAD APPARENTLY BEEN BRIEFED ON MY CONVERSATION YESTERDAY WITH SOARES (REFTEL) AND CONFIRMED THE GOP'S INTEREST IN CONCENTRATING OUR AID IN THE SOCIAL AREAS WITH PARTICULAR EMPHASIS ON THE LOW-INCOME RURAL POPULATIONS. HE ALSO EXPRESSED CONSIDERABLE CONCERN OVER THE FAILINGS OF THE PORTUGUESE EDUCATION SYSTEM AND WOORRIED ABOUT THE POLITICAL ORIENTATION OF THE GENERATION THAT WOULD BE COMING TO POWER FIVE TO TEN YEARS FROM NOW. HE SAID HE HAD SOME AS YET INCHOATE THOUGHTS ON ESTABLISHING A SCHOOL OF PUBLIC ADMINISTRATION ALONG THE LINES OF A MILITARY ACADEMY AND MIGHT GET BACK TO US IF THESE

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THOUGHTS MATERIALIZED AND THE GOP THOUGH WE COULD BE HELPFUL.

5. ON THE MILITARY SIDE EANES WONDERED WHETHER THE PORTUGUESE MILITARY REPRESENTATIVE TO NATO HAD BEEN AGGRESSIVE ENOUGH IN PUTTING THE GOP'S CASE FORWARD. I TOLD HIM I DID NOT WISH TO COMMENT ON INDIVIDUALS, BUT IT WAS CLEAR THAT PORTUGAL HAD NOT

BEEN AS EFFECTIVE AS IT MIGHT HAVE BEEN IN NATO MILITARY CIRCLES. THE UNFORTUNATE NAVY INTERVENTION IN THE APRIL 22 MEETING OF THE DEFENSE REVIEW COMMITTEE HAD CREATED THE IMPRESSION OF INTER-SERVICE RIVALRY. WHAT WAS NEEDED WAS A POLICY WHICH CLEARLY FITTED EQUIPMENT NEEDS INTO THE NATO BRIGADE CONCEPT AND MINIMIZED INDIVIDUAL SERVICE APPROACHES TO DIFFERENT COUNTRIES. THE PORTUGUESE DELEGATION HAD ALSO FAILED TO CONVEY A SENSE OF URGENCY IN THE AD HOC COMMITTEE. EANES SAID HIS IMPRESSIONS CORRESPONDED WITH MINE. YESTERDAY HE ASKED FOR A REVIEW OF NATO RELATED MATTERS AND FOUND THAT VERY FEW OF THE MATTERS HE HAD DISCUSSED WITH SHAPE ON HIS VISIT IN FEBRUARY HAD ACTUALLY DEVELOPED INTO CONCRETE PROJECTS. HE PROMISED TO GIVE THIS SUBJECT MORE ATTENTION AND ASKED THAT WE WORK CLOSELY WITH THE INCOMING ASSISTANT CHIEF OF STAFF OF THE ARMED FORCES GENERAL RODRIGUES WHO WOULD BE REPLACING GENERAL MELO EGIDIO.

6. COMMENT: EANES WAS TACITURN AS USUAL, BUT TOOK AN OBVIOUS INTEREST IN BOTH PROGRAMS. HE WAS FAMILIAR WITH SUCH DETAILS, FOR EXAMPLE, AS THE WORKINGS OF PL-480. HE IS NOT AN EASY MAN TO COMMUNICATE WITH, BUT IT WAS OBVIOUS THAT HE WELCOMES OUR ASSISTANCE AND WANTS TO WORK WITH US ON IT.

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## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** MILITARY ASSISTANCE, DIPLOMATIC DISCUSSIONS, ECONOMIC PROGRAMS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 18 AUG 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** MartinML  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Office:** ACTION EUR  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
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**Reference:** 76 LISBON 5613  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** MartinML  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 04 MAR 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <04 MAR 2004 by morefirh>; APPROVED <28 JUL 2004 by MartinML>  
**Review Markings:**  

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** DISCUSSION WITH PRESIDENT EANES ON ECONOMIC AND MILITARY AID  
**TAGS:** PFOR, PO, US, NATO, (EANES, RAMALHO)  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006